COUNCIL AGENDA: 4/21/15

ITEM: 7.5



# Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

**FROM:** Kerrie Romanow

SUBJECT: SEE BELOW

**DATE:** April 13, 2015

Approved D - O S - U Date 4/13/15

SUBJECT: DECLARATION OF A 25 PERCENT WATER SHORTAGE

#### RECOMMENDATION

Adopt a resolution, to be in effect through March 31, 2016, declaring a water shortage of 25 percent citywide and limiting use of potable water for landscape and turf irrigation to two (2) scheduled days per week, except when watering by hand or by drip irrigation, or for maintenance of public parks, playing fields, day care centers, golf course greens, and school grounds, provided such irrigation is done in a water efficient manner, or for fire protection, soil erosion control, plants/trees grown for consumption, nursery/garden center plants for sale, and environmental mitigation projects.

#### **OUTCOME**

The declaration of a 25 percent water shortage will trigger additional restrictions on potable water use in effect citywide under Chapter 15.10 of the Municipal Code. The recommended schedule and exception will ensure an appropriate City response to the current drought.

#### **BACKGROUND**

Last summer, in response to calls for 20 percent voluntary reductions in potable water use and to enable compliance with drought regulations issued by the State Water Resources Control Board (State Water Board), the Council declared a water shortage of 20 percent which triggered an enhanced level of citywide restrictions on potable water use under Chapter 15.10 of the Municipal Code. Since then, with the state in its fourth year of a drought, the water supply situation has worsened. Rainfall in San Jose since July 1, 2014 has been average, but the last few months have been abnormally dry, and the Northern Sierra snowpack, from where half of our

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imported water supply originates, is only 6 percent of normal to date. In addition, groundwater basins in Santa Clara County have fallen to levels that are 5 to 25 feet lower than they were last year.

Meanwhile, the population has continued to grow in San Jose as the economic recovery continues. The California Department of Finance (DOF) estimates that San Jose's population has grown by 16,962 persons or 1.7 percent in calendar year 2013, from January 1, 2013 to January 1, 2014. Population and commercial activity is expected to continue to grow in calendar years 2014 and 2015 while the City responds to the drought.

On April 1, 2015, to respond to the magnitude of the severe drought conditions and to generate further reductions, Governor Brown issued an executive order to increase the call for statewide water reductions from 20 percent to 25 percent, as compared to the amount of water used in 2013. In response to the Governor's executive order, on April 7, 2015, the State Water Board released a Proposed Regulatory Framework, which proposes mandatory water use reductions for urban water suppliers such as the City's Municipal Water System (Muni Water). Community-specific targets were set for each water retailer based on their per capita water usage, with individual targets ranging from 10 percent to 35 percent. San José water retailers, including Muni Water, San Jose Water Company, and Great Oaks Water Company, were assigned water use targets of 20 percent, which is lower than the statewide target of 25 percent because San José already has reasonably low per capita water usage. The State Water Board is scheduled to adopt regulations based on their Proposed Regulatory Framework in May.

In addition, on March 24, 2015, the Santa Clara Valley Water District (Water District), one of two wholesale water agencies that provide water to Muni Water and other water retailers in San Jose, issued a call to reduce potable water use by 30 percent and to restrict outdoor watering of ornamental landscapes or lawns with potable water to no more than two days a week through the end of 2015. The San Francisco Public Utilities Commission (SFPUC) asked wholesale customers, including Muni Water, to voluntarily reduce water consumption by at least 10 percent. SFPUC will continue to review water demands and if a system-wide 10 percent reduction is not achieved, SFPUC will consider increasing the reduction target and/or implementing mandatory limits later this year.

In a separate memorandum also scheduled for Council consideration today, staff is recommending adoption and approval of ordinances amending the Municipal Code to allow for Council adoption of a resolution limiting irrigation to less than seven (7) days per week, prohibiting irrigation on specified days of the week and providing for exceptions to the prohibition. This memorandum presents recommendations for additional measures Council can take as part of the City's overall drought response, if the recommended ordinances are adopted and approved.

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#### **ANALYSIS**

#### **Declaration of a Water Shortage of 25 Percent**

Staff recommends that Council adopt a resolution declaring a 25 percent water shortage citywide because a declaration of a 25 percent water shortage will be consistent with the Governor's Call for 25 percent statewide water reductions and communicate a strong message about the severity of the drought. Declaration of a 25 percent water shortage will trigger local restrictions under the Municipal Code that are similar to the statewide restrictions, as well as triggering some additional restrictions not yet applicable statewide (See Attachment 1).

Municipal Code Restrictions at a 25 Percent Water Shortage Level that are Similar to Statewide Restrictions

- The application of potable water to outdoor landscapes in a manner that causes runoff;
- The application of potable water to driveways and sidewalks;
- The use of potable water in a fountain or other decorative water feature, except where the water is part of a recirculating system;
- The application of potable water to outdoor landscapes during and within 48 hours after measurable rainfall; and
- The serving of drinking water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased.

The State Water Board regulations and Municipal Code also require operators of hotels and motels to provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guestroom using clear and easily understood language.

Municipal Code Restriction at 25 Percent Water Shortage Level that Exceeds Statewide Restrictions

• No car washing except at a commercial facility that utilizes a recirculation system.

Although, the Municipal Code restrictions that exceed statewide restrictions are not legally enforceable against City operations and facilities under San Jose Municipal Code Section 1.04.020.K, City staff has changed business and operations practices at City-owned facilities in response to the drought as well as communicated water conservation rules and tips to the community. City staff will also publicize these latest citywide and statewide restrictions to the community.

#### **Mandatory Watering Schedule**

In response to the drought, San José's water retailers have coordinated to provide a consistent citywide message on water use restrictions and drought messaging. See **Attachment 1** for a comparison of the citywide restrictions that will be in effect if Council adopts the recommended ordinance and resolution, along with State Water Board restrictions and the restrictions of San

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Jose Water Company and Great Oaks Water Company. All three water retailers have collaborated on this approach, and are committed to increasing outreach, working with customers to further reduce water consumption, and messaging the same water schedule to all customers.

To echo a countywide effort to standardize mandatory watering schedules during the drought, as agreed to among Santa Clara County water service providers, staff is recommending the following mandatory water schedule in the Council Resolution in order to ensure that the City complies with State Water Board emergency regulations and to allow for consistent messaging across San José and Santa Clara County.

This mandatory watering schedule will limit irrigation to two days per week.

- Landscape and turf at properties with addresses ending in odd numbers, (i.e., 1,3,5,7, and 9) shall be irrigated only on Monday and Thursday.
- Landscape and turf at properties with addresses ending in even numbers, (i.e., 0,2,4,6, and 8) shall be irrigated only on Tuesday and Friday.
- Landscape and turf at properties with no address shall be irrigated only on Monday and Thursday.

On their designated irrigating days, customers are still prohibited from irrigating between 10:00 AM and 8:00 PM per the Municipal Code restrictions, which are in effect at all times.

## EVALUATION AND FOLLOW-UP

Staff will closely follow the State Water Board's actions as they plan to draft regulations in mid-April and finalize regulations in May to implement Governor Brown's April 1 executive order. Staff will issue a separate memorandum to communicate the implications of these regulations and any recommended actions for Council consideration.

Staff will also monitor water use monthly and may recommend further action by Council if needed to further reduce water use. Further, staff will monitor any revenue impacts and if a budget adjustment is needed, staff will return to Council with recommendations.

#### **POLICY ALTERNATIVES**

Alternative 1: Adopt a resolution to extend the current water shortage of 20 percent citywide and direct staff of the City's Municipal Water System to continue to implement Stage 1 of its Water Shortage Contingency Plan.

**Pros:** A declaration of a 20 percent water shortage does not commit the City to supporting additional restrictions.

**Cons:** Muni Water could be found to be violation of the State Water Board's emergency regulations.

Reason for not recommending: Failure to implement a day per week irrigation limitation would be inconsistent with State Water Board emergency regulations and actions being taken by

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other nearby urban water suppliers. Failure to adopt a resolution declaring a higher than 20 percent shortage would not be in line with actions taken by the Governor, Water District, or other nearby urban water suppliers.

Alternative 2: Adopt a resolution to declare a water shortage of 30 percent citywide and direct staff of the City's Municipal Water System to implement Stage 3 of its Water Shortage Contingency Plan.

**Pros:** A declaration of a 30 percent water shortage would be consistent with the Water District's call for 30 percent water use reduction.

**Cons:** A declaration of a 30 percent water shortage would be above and beyond the Governor's Call for 25 percent statewide water reductions and SFPUC's voluntary 10 percent water reduction target.

**Reason for not recommending:** Declaration of a 30 percent water shortage will commit the City to supporting additional restrictions under the Municipal Code that are more stringent compared to actions taken by other nearby urban water suppliers, the Governor, and SFPUC. The water use restrictions associated with a 30 percent water shortage could impact development projects that have already been approved by the City.

### **PUBLIC OUTREACH**

This item will be posted on the City's website for the April 21, 2015 City Council agenda.

All three of San José's water retailers have coordinated to convey a consistent citywide message on water use restrictions and drought guidelines. The key messages will be shared through each retailer's respective information outlets.

If Council adopts the recommended actions, City staff will notify the public about the State Water Board's statewide restrictions, the restrictions in effect citywide in Chapter 15.10 of the Municipal Code, the mandatory watering schedule for outdoor irrigation, and general conservation tips. City staff will use broad and targeted outreach, and utilize free as well as paid outlets to reach our residents. These methods include sharing information with mainstream and ethnic media; social media including NextDoor; web site with some information available in Spanish and Vietnamese; automated email distribution; Council districts' information distribution systems through eNewsletters and eBlasts; and online and social media advertisements. Staff will continue to facilitate coordination between all three of San José's water retailers to promote the City's outreach messages and materials to reinforce the same message for all residents.

#### **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office, City Manager's Communications Office, the City Manager's Budget Office, and the Department of Planning, Building, and Code Enforcement.

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# **COST SUMMARY/IMPLICATIONS**

The recommended actions in this memo will be used in the development of the 2015-2016 Proposed Budget and the calculation of 2015-2016 retail water rates, both of which will assume a decrease in water sales, revenue, and costs. These items will also continue to be monitored throughout the year.

#### **CEQA**

Exempt, File No. PP15-032.

/s/
KERRIE ROMANOW
Director, Environmental Services
Department

For questions please contact Jeff Provenzano, Deputy Director, Environmental Services Department at 408-277-3288.

Attachment

# Attachment 1: Proposed City of San Jose Water Use Restrictions

City of San Jose Stages	City of San Jose Restrictions (applies only to Potable Water)	San Jose Water Company and Great Oaks Water Company Rule 14.1 Restrictions	State Water Board Restrictions
San Jose Municipal Code Chapter 15.10, In Effect At All Times	No irrigating landscapes between 10 am and 8 pm, unless using a bucket, hand-carried container, or a hose with a shut-off nozzle	No use of water for outdoor landscape during certain hours if and when specified in Rule 14.1 when the schedule is in effect	
	Sprinklers cannot run more than 15 minutes per station per day		
	No excessive water runoff is allowed	No flooding or run-off in gutters, waterways, patios, driveways, or streets	No watering outdoor landscapes in a manner that causes excess runoff
	Leaking or broken water pipes, irrigation systems, and faucets must be fixed within five working days	Broken/defective plumbing, sprinkler, watering, or irrigation systems must be repaired within five days of being notified by the utility	
	No cleaning of structures or paved surfaces with a hose without a positive shut-off nozzle		
	No cleaning of vehicles with a hose without a positive shut-off nozzle	No washing aircraft, boats, vehicles with a hose without a positive shut-off nozzle. Exceptions: commercial or fleet vehicle washing facilities where equipment avoids wasteful use	No washing a motor vehicle with a hose, unless the hose is fitted with a shut-off nozzle
	Commercial car washes must use water recycling equipment, a bucket and hand-washing, or a hose with positive shut-off nozzle		
	No serving water in food service establishments unless requested by the customer	No serving water by any restaurant except upon the request of the patron	No serving drinking water other than upon request in eating or drinking establishments
	Restaurants that use pre-rinse spray valves must use ones that are low-flow		
	Hotels/motels must provide guests the option to decline daily linen washing		Hotels and motels must provide guests with the option of choosing not to have towels and linens laundered daily and will display a notice of this option in each bathroom.
		No using water for construction purposes unless no other source of water or other method can be used	
	Water cannot be used from a hydrant without prior City approval		
	Potable water cannot be used for irrigation purposes where a recycled water service is currently plumbed to the site		·

# Attachment 1: Proposed City of San Jose Water Use Restrictions

City of San Jose Stages	City of San Jose Restrictions (applies only to Potable Water)	San Jose Water Company and Great Oaks Water Company Rule 14.1 Restrictions	State Water Board Restrictions
Stage 1 Shortage of 10% or Greater	Council may, by adoption of a resolution declaring a water shortage, specify the number of days per week, not to exceed four, that irrigation will be allowed.  Council may also establish a day(s) of the week		
Shortage of 1070 of Greater	irrigation schedule(s)	N. Cili	
	No filling ornamental lakes or ponds with potable water	No filling or topping of decorative lakes or ponds except for those that use recycled water	
Stage 2	Filling of non-recirculating decorative fountains with potable water is prohibited	No using water for decorative fountains except for those that use recycled water	No operating a fountain or decorative water feature, unless the water is part of a re-circulating system
	paved or hard-surfaced area, or the exterior of any building or structure	No using a hose to wash buildings, structures, sidewalks, other hard-surfaced areas in a manner that results in run-off or waste	No washing down sidewalks and driveways
	No washing of vehicles, except at a commercial car washing facility that utilizes a re-circulating water system to capture or reuse water		
_	No new outdoor landscaping or plantings shall be installed between the months of May through October in an area with an overhead irrigation system, unless the overhead irrigation system is disconnected,		
Shortage of 30% or greater	removed or converted to drip irrigation. Exceptions: drought-tolerant/native plants, plants/trees grown for consumption or environmental mitigation.		•
	No refilling residential swimming pools or outdoor spas more than one foot; no initial filling with potable water	No filling or refilling swimming pools	
	Public use of water from hydrants is prohibited		
Stage 4	Filling of any swimming pool, fountain or spa is prohibited		
Shortage of 40% or greater	Leaks, broken water pipes, irrigation systems, and faucets must be fixed within 48 hours		

#### Attachment 1: Proposed City of San Jose Water Use Restrictions

City of San Jose Stages	City of San Jose Restrictions (applies only to Potable Water)	San Jose Water Company and Great Oaks Water Company Rule 14.1 Restrictions	State Water Board Restrictions
Restrictions not in the San Jose Municipal Code		Do not water outdoors more often than every other day. Even numbered addresses water on even numbered days, and odd numbered addresses water on odd numbered days. Exempt: Commercial nurseries, golf courses, water-dependent industries	
		No use of water for outdoor plants and turf using a hose without a positive shut-off valve	
		No use of water for watering streets with trucks, except for initial wash-down for construction, or to protect health and safety	
		No use of water for more than minimal landscaping in connection with any new construction	. •
			No watering outdoor landscapes during or up to 48 hours after measurable rainfall